

Getting Off to the Right Start for the New Year

Are you ready to get off to the right start financially for 2007, but don't have a lot of time? I've created a list of 10 tasks that can be easily be started and/or accomplished in a short period of time. Know that you only need to take one small step at a time. You don't have to do it all at once. The small steps put together create a financially healthy house.

1. Create or update your home inventory. Begin by videotaping or taking digital pictures of each room in the house. Once you've taken pictures of every room in your house, complete the home inventory. The Insurance Information Institute (www.knowyourstuff.org) has a free program that lets you list every room in your house along with photos. In addition, you can also list each item and include a photo, make, model, serial number, date and place purchased, and description.
2. Clean out your filing cabinets or wherever you keep your financial records. Go through a few piles or folders at a time. Keep your shredder nearby to shred any documents with personal information on it. Things to toss, as long as they're not needed for tax purposes include outdated automobile, homeowners and health insurance policies; old warranties and instruction manuals; utility statements; credit card statements; bank and credit union statements and mutual fund reports. Toss computer software boxes. All you need to keep is the product key, which can be found on the box, CD case or product.
3. Organize your financial records. Put them in categories you plan to use. Make the categories logical to ensure that anyone can figure them out. My folders are labeled by account name: Utilities, Mortgage, Health Insurance, Auto Insurance, Homeowners Insurance, Credit Cards, Pay Stubs, etc. I recommend you color code your filing using green folders for assets and red folders for liabilities. Organizing your financial records will help you determine how much money you have and how much you owe.
4. Make a charitable giving plan for this year. Sit down and summarize the organizations you plan to give to this year. It will help you say "No" to the letters, phone calls and requests you receive throughout the year. You'll creating healthy boundaries for yourself.
5. Read one chapter of a book on financial issues. Reading one chapter at a time puts reading the book into bite sized pieces. And, before you know it you'll be finished and ready to start the next book! For a list of books along with my review, visit www.moneywisewomen.net
6. Order your credit report. You can get a free credit report from the three major credit reporting agencies (Equifax, Experian, TransUnion) once every twelve

months. The free credit reports are only available at www.annualcreditreports.com . Beware -- if you order your credit report directly from any of the individual credit reporting agencies, you'll be charged a fee. Once you've got your credit report, review it for accuracy. Make sure your personal information (name, date of birth, address and employer) is correct and that all the accounts listed belong to you.

7. Review your non-probate assets to determine if the beneficiary is accurate. Non-probate assets include life insurance, retirement accounts, tax-deferred annuities, U.S. Savings Bonds and bank accounts in trust for others. If you have property with a named beneficiary, it bypasses the instructions in your will. For example, your mother is listed as the beneficiary in your life insurance instead of your husband. It doesn't matter what your will states, if you die the proceeds of your life insurance will go to your mother.
8. Keep unsolicited, pre-approved credit card offers and junk mail out of your mailbox. Opt out by calling 1-888-567-8688 or visiting www.optoutprescreen.com -- the consumer credit reporting industry's opt-out website. The Direct Marketing Association also assists consumers who prefer not to receive mail or telephone solicitations. There is a \$1.00 fee to get your name off the list, but its well worth the cost. Visit their website at www.dmaconsumers.org/consumerassistance.html .
9. Review your automobile and homeowners insurance deductibles. Increasing your deductible will lower your premiums. If you increase your deductible from \$250 to \$500, you can usually save 10% on your premiums. Increasing the deductible to \$1,000 may double your savings. A word of caution – if you increase your deductibles make sure you have enough money set aside in your emergency account to pay the higher deductible if you file a claim.
10. Create a Dream Board. I attribute much of my success in achieving my goals the past two years to my Dream Board. It hangs in my dressing area so I see it morning and evening. This year my Dream Board theme is *Claiming My Power* – to love my appearance, feel like a million bucks, and wearing sleek, sassy clothes. To accomplish this I've committed to working out at the gym three days a week; pilates lessons twice a week; walking with my dogs five days a week; attending Weight Watcher meetings and cooking delicious low-fat meals; saying goodbye to my daily glass of wine; and hiring an image consultation. I've also included some rewards for my accomplishments – for every 10 pounds I lose I'm treating myself to a facial. For every month I accomplish my exercise tasks, I'll get a pedicure.